

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2015/2016

BMK 1014 – PRINCIPLES OF MARKETING (All sections / Groups)

2nd March 2016
2.30 p.m. - 4.30 p.m.
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This question paper consists of **SIX (6)** printed pages (including the cover page) with **TWO (2)** sections (A and B).
2. Section A (40 marks): Answer **ALL** questions.
3. Section B (60 marks): Answer any **THREE (3)** out of **FOUR (4)** questions.
4. Please write all your answers in the Answer Booklet provided.

SECTION A: 40 marks

Answer all questions.

1) Product mix length refers to _____.
A) the number of versions offered for each product in the line
B) how closely related the various product lines are in end use, production requirements, distribution channels, or some other way
C) the number of different product lines the company carries
D) the total number of items a company carries within its product lines
E) the total market share captured by the entire product line

2) _____ occurs when two established brand names of different companies are used on the same product.
A) Aggregated branding
B) Co-branding
C) Private branding
D) Multibranding
E) Clustered branding

3) Which of the following statements is true with regard to the new-product development process?
A) The first stage in the new-product development process is an idea-reducing step.
B) When developing new-product ideas, firms restrict the process to internal sources of ideas.
C) Intrapreneurial programs are an external source of new-product ideas.
D) Crowdsourcing is an internal source of new-product ideas.
E) The first stage in this process involves a systematic search for new-product ideas.

4) Once the product or service passes the business analysis test, it moves into the _____ stage.
A) concept development
B) product development
C) market testing
D) strategy development
E) product audit

5) Introducing a new product into the market is called _____.
A) test marketing
B) segmentation
C) experimenting
D) commercialization
E) market penetration

6) Value-based pricing is the reverse process of _____ pricing.
A) variable cost-based
B) cost-plus
C) cost-based
D) good-value
E) equity value-based

7) When there is price competition, many companies adopt _____ rather than cutting prices to match competitors.
A) high-low pricing strategies
B) value-added pricing strategies
C) target return pricing strategies
D) EDLP strategies
E) image pricing strategies

8) Swatch surveyed the market and identified an unserved segment of watch buyers. Using these results, they created a watch at a price consumers were willing to pay. The unorthodox order of this marketing mix decision is an example of _____.
A) competition-based pricing
B) cost-plus pricing
C) target costing
D) value-based pricing
E) penetration pricing

9) If demand changes greatly with a small change in price, we say the demand is _____.
A) inelastic
B) variable
C) elastic
D) value-based
E) fixed

10) Pastaliano is a restaurant that exclusively sells Italian food, headquartered in Illinois. The restaurant owners expressed an interest in opening a Pastaliano outlet in the U.K. They were contacted by 2Clover Tradings, situated in the U.K., who were interested in buying the Pastaliano trademarked recipes and opening an outlet for them. Pastaliano gave the rights to its recipes to 2Clover Tradings, who then opened an outlet in the U.K. under the Pastaliano brand name. Which of the following kinds of marketing systems does Pastaliano have with 2Clover Tradings?
A) horizontal marketing system
B) direct marketing system
C) administered vertical marketing system
D) contractual vertical marketing system
E) corporate vertical marketing system

11) _____ distribution gives producers good market coverage with more control and less cost than does intensive distribution.

- A) Exclusive
- B) Selective
- C) Extensive
- D) Comprehensive
- E) Inclusive

12) Which of the following statements is true with regard to retailing?

- A) All retail stores are full-service retail stores.
- B) A department store has a narrow product line with a deep assortment.
- C) The largest type of retail outlets is the supermarkets.
- D) Services like hotels, banks, airlines, restaurants, colleges, and hospitals can be retailed.
- E) A feature common to all types of retail stores is the use of the everyday low pricing strategy.

13) Which of the following is true of marketing channels in the new marketing communications model?

- A) There is a decrease in the use of digital information to reach micromarkets.
- B) There is a rise in print media as a major channel for marketing.
- C) There is an increase in broadcasting techniques of marketing.
- D) There is a steady rise in mass-media communications model of marketing.
- E) There is an increase in the use of narrowcasting methods of marketing.

14) Which of the following promotion tools would best suit to reach a mass audience that is geographically dispersed in a short period of time?

- A) direct mailing
- B) telephone marketing
- C) door-to-door selling
- D) television advertisements
- E) discount promotions

15) Which of the following types of promotion tools requires the most interaction with a customer?

- A) advertising
- B) personal selling
- C) sales promotion
- D) public relations
- E) direct marketing

16) Pearl Sands Resort and Spa is a popular summer attraction located in hilly town of Rockten. The spa usually attracts customers in the summer. During the pre-summer period, Pearl Sands Resort began sponsoring shows on TV, and putting up billboards around Rockten and surrounding towns advertising the resort. The ads hinted at the coming summer, and how the resort has always been the place to go for a welcome break from everyday life. Which of the following types of advertising did Pearl Sands Resort use?

- A) comparative advertising
- B) persuasive advertising
- C) personalized advertising
- D) reminder advertising
- E) classified advertising

17) Which of the following statements is true of consumer promotions?

- A) It persuades resellers to carry a brand.
- B) It includes a wide range of tools like samples, coupons, refunds, and so on.
- C) Display allowances are a type of consumer promotion tool.
- D) It is primarily used to generate business leads, stimulate purchases, reward customers, and motivate salespeople.
- E) Conventions and trade shows are a part of consumer promotions.

18) AirNetwork, a telecommunication company, sponsors a rock concert by a famous band. This is an example of _____.

- A) event marketing
- B) premiums
- C) point-of-purchase promotions
- D) cent-off deals
- E) price packs

19) Eric Dylan is the marketing director of a charity that raises funds to help provide educational services to children and families in developing countries. Eric targets a selective market of individuals who have recently donated to international charities by sending them a letter with the proposed plan for charity and instructions for those who are interested to participate. Eric uses _____ in this scenario.

- A) direct-mail marketing
- B) mass marketing
- C) telephone marketing
- D) direct-response television marketing
- E) kiosk marketing

20) What is the main purpose of a corporate Web site?

- A) to sell the company's products directly
- B) to build customer goodwill
- C) to create a consumer query into a sale
- D) to give out coupons and tell about sales events or contests
- E) to point out and explain competitors' weaknesses

SECTION B: 60 marks**Answer THREE (3) out of FOUR (4) questions.****Question 1**

Explain at least FOUR (4) ways how wholesalers can add value for a producer.

(20 marks)

Question 2

What is the need for an integrated marketing communications system in a company?

(20 marks)

Question 3

Identify what are the important factors that a marketer should be aware of when developing a creative concept for an advertisement?

(20 marks)

Question 4

List and briefly describe the FOUR (4) major online marketing domains.

(20 marks)

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